

**MINUTES OF REGULAR MEETING OF
THE REDEVELOPMENT COMMISSION OF GREENSBORO**

JULY 15, 2003

REGULAR MEETING

The Redevelopment Commission of Greensboro met in regular meeting in the Plaza Level Conference Room, Melvin Municipal Building, Greensboro, North Carolina, on Tuesday, July 15, 2003 at 5:09 p.m. Present were: Chairman Bill Benjamin, Joe Wood, Jerry Leimenstoll and Scott Lilly. Dan Curry, Caroline Wells, Gwen Torain and Sue Schwartz represented the Housing and Community Development Department (HCD). Jim Blackwood, Esq., was present as legal counsel for the Commission.

Chairman Benjamin called the meeting to order, introduced himself, and welcomed everyone to the meeting. He asked that anyone who wished to speak to come up to the microphone, identify themselves, and give their address.

APPROVAL OF MINUTES OF REGULAR MEETING OF JUNE 17, 2003

By unanimous consent, the approval of the minutes of the June 17, 2003 meeting was tabled until the next meeting.

SOUTHSIDE NEIGHBORHOOD

A. KING STREET PROPERTIES.

Mr. Cox has given us a counteroffer. He would like to sell us the property on King Street and offer us an option for the property on Gorrell Street. Staff has reviewed his counter appraisal to see whether or not they are legitimate or relatively safe to market. Even if we do not buy it in the option to use it in 2006, we can assign the option to someone that we feel can produce the type of development that will be complementary to the rest of Southside.

Chair Benjamin asked if it were critical, why do we do it in 2006? Why don't we do it today? He said it seemed to him that if they purchased the one to the back and never get the one to the front, we have not really done anything.

In response to a question from Mr. Leimenstoll, Ms. Schwartz said the owner had a guaranteed income on the property being vacated until 2006, which is why he does not want to sell it.

Chair Benjamin said the Commission had purchased properties with leases and then dealt with it. If there is a present need, with the money available, then why negotiate for something that is going leave three years' worth of suffering of the neighborhood or the added cost to us, if it is that critical? If it is not that critical, then what we are saying is, let's give it three years.

Ms. Schwartz said she thought Southside would be built out before 2006.

Mr. Leimenstoll said it seemed to him they had several options. One was to purchase the property in the manner in which has been described to us, buy the one in orange and get a lease of some type on the other one. Another option is to purchase now in the framework that Chair Benjamin was suggesting where we could up the price to include the value of the lease. The third one is to amend the Plan so that we would have condemnation rights. And the fourth was just let the market leave it alone. He said to him the immediacy is the neighborhood and neighbors who are already complaining about that property, complaining about barbed wire, trucks, and this and that. These people have already invested in the neighborhood so there is going to be further pressure for something immediately. He said it seemed to him that the proposal that Chair Benjamin made gives us the option to begin immediately to really negotiate with this man. The appraisal has a price of \$1400 a month, and it would be easy for an appraiser to extrapolate that over the period of time that he is talking about, and get this thing resolved.

Chair Benjamin said he did not look at that closely. He said if the owner has already shown that in it, then the appraisal recognizes the value of that cash stream in it because from now on when you do an appraisal, it is based on the income approach, a sales approach, and a replacement cost approach.

After some discussion, Ms. Schwartz said she had heard two things. She had heard Chair Benjamin say staff should negotiate for all of the properties, and Mr. Leimenstoll to say all of it, and she heard Mr. Lilly say we are not interested in this, so she needed to know what she should do.

Mr. Lilly said he was sure it would be more appealing if they took all of it.

Mr. Leimenstoll moved that the Commission direct staff to talk with Mr. Cox about buying all three parcels and to incorporate in any discussion of price the cost to the Commission in the payment to Mr. Cox of some money, whatever it might take, to buy out those leases at least for three years.

Mr. Leimenstoll's motion was seconded by Mr. Lilly.

The Commission voted 4-0 in favor of the motion. (Ayes: Benjamin, Wood, Leimenstoll, Lilly. Nays: None.)

GORRELL STREET NEIGHBORHOOD**A. REQUEST FROM BENNETT COLLEGE FOR RECONSIDERATION OF ACTION OF THE REDEVELOPMENT COMMISSION REGARDING 609 GORRELL STREET.**

Chair Benjamin that he had a conflict of interest in this issue so he needed to be very mindful, reminding himself, of how and what he says. He suggested perhaps that Mr. Wood might share this portion, take the gavel.

In response to comments by Counsel Blackwood, Chair Benjamin said he would remove himself from discussion and voting on this item.

Vice Chair Wood said the Commission would now move ahead on the agenda to the Gorrell Street Neighborhood item, and they have a request in the form of a letter from Bennett College for reconsideration of the action of this Commission last month regarding 609 Gorrell Street.

Vice Chair Wood asked Counsel Blackwood if he had a copy of the agreement, whether it be verbal, by handshake, for \$1 or whatever between the Redevelopment Commission and Bennett College from approximately 1997 when the Commission started to, in effect, holding this piece of land in trust?

Counsel Blackwood said that was part of what had just been handed to him. The last time before the school resolution, which came up last December, Bennett had come to the Commission with the proposal that, he thought, was in the form at this stage of putting some type of childcare center.

Vice Chair Wood said the point on which he was asking clarification was does the Commission have the actual original agreement that said we will hold this until you come forward with a concrete proposal; we will hold this until you come forward and have dollars for us to purchase the property; we will hold this until X-date.

Ms. Wells said to her knowledge, there was no actual Agreement or anything signed; it was mainly by resolution of the Commission that these would be held.

Vice Chair Wood said for all parties present, the time line for the property would be given, and then the Commission would hear from speakers from the floor.

Mr. Curry said that this property was in the Gorrell Street Redevelopment Area. The Plan for that area was approved in 1990. When the Commission first heard of the daycare request from the College came to the Commission in 1999. Up to that point, the Plan called for this property in question to be used for residential development. In 1999, the Commission received a request from Bennett College to obtain the site for relocation of their child development center. The Commission entertained that proposal and asked that a process be written to amend the Plan to allow for that use. During 1999, a Plan

Amendment process was done and staff met with the neighborhood over a number of meetings, and ultimately in September of 1999, the Plan was amended to allow institutional use of this block or blocks.

Between late 1999 and the middle of 2002, there were a number of requests made back and forth between the Commission and the College for updates. And as you probably are aware, the College went through several administrative changes; that and some other issues he thought prevent the College from moving forward with the new development or the Child Development Center. And in June of 2002, the Redevelopment Commission gave a specific deadline for the College to bring forward their detailed development plans for the daycare center. The Commission gave the College until the December meeting to bring those plans forward.

In December, the College came forward with the proposal for the Middle College facility. He said he believe at that meeting, the Commission approved in concept the notion that the Commission would lease the property to the College for the middle college building. The College described that they had access to some units at Canterbury School that they were going to relocate to this site. He thought that was the basic concept to which the Commissioners agreed.

In January of 2003, the College sponsored a public meeting and invited the community to hear about the proposal. The meeting was held at the college. He attended and felt it was all very positive. He did not remember there being anyone there who spoke in any way other than positive about the proposal, wanting it to go forward.

The last several months, the Commission has been requesting updates and at the Commission's last meeting, it heard from Ms. Coleman and took the action that the Commission took.

Vice Chair Wood welcome everyone to the Redevelopment Commission. He then said that if there were anyone who would like to comment on this particular action, just come to a microphone, give your name and address, and speak your opinion on this item.

Andreanna Coleman, Vice President of Bennett College, 900 East Washington Street, said when Dr. Grier and Dr. Morris met with the Commission in December, they discussed the time line for the placement of the unit at they described at the 609 Gorrell Street site. Due to the timing of the availability of those units from Canterbury, the units would really not be available until after June 30th. However, in the meantime, the staff of the Guilford County Schools, along with several members of the Bennett staff, had been working in terms of planning for the location of those units. They had looked at other options during this time, such as rebuilding the Childhood Center and their daycare center in that location, and that did not pan out at the current time. Therefore, they proceeded with the plans for the replacement of the modular trailer units from Canterbury.

Today they have several people here to speak on behalf of this project; Dr. Johnette Cole,

president of Bennett College; E.F. Deering, Executive Director of Facilities and Construction for the Guilford County School System; Gerald Resin from the Guilford County School System; and Dale Craig, who is the Site Designer for Craig & Associates, who is helping the College with the site planning for this project.

E.J. Deering, Executive Director for Facilities and Construction for Guilford County Schools, said it is one of the programs that, in his opinion, has been long overdue. The first thing the School System had to do was have the property rezoned and that was done in May of this year. The second thing they had to do was to go through the TRC and they are in the last process of doing that. Then they can go ahead and put the unit on there.

Mr. Lilly said that the Commission acquired this land somehow, either by condemnation or acquisition. We took basically eyesores and blighted pieces of property and put them together or perhaps staff acquired these because they were key pieces of land in a nice, visible area. His concern was taking these blighted areas, demolishing the houses, and then putting trailers back into where it was.

Mr. Deering said there would be one mobile in the middle. He had a site plan for that. He said it was 1,650 square feet.

Mr. Curry said the three lots were just under an acre, maybe 32,000 square feet.

Vice Chair Wood said Bennett College has vacant land across the street that they acquired from us 20 years ago and some of it longer ago than that. Why could it not be put right across the street?

Mr. Deering said basically he thought the other pieces would require water, sewer, and some additional work beyond what they would have to do on this piece of property. Also, he was not sure (and he said this might need to be addressed), but he thought there was a Master Plan and he was not this was incorporated so he could not address the other pieces, he could address this one.

Mr. Leimenstoll asked if the Commission could hear from Bennett so that the Commission could get perspective on this rather than to the other site, and see where we are on this so we can make a decision.

Dr. Johnette Cole said she had the privilege of serving as Bennett College's 14th president. Ideally, they need to expand their existing 5-star daycare center so that these young women (when you are 17 years old, you are a young woman, and if you have a child, you are a young woman) who have children can come to school, drop their child in a safe environment, and then go to school themselves. That is the ideal. But in the meantime, what they are respectfully requesting is the temporary use of that land to put some temporary structures for classrooms, for the principal's office, for the counselor's office, for the social worker's office, so that we can get these young women graduated.

Dr. Cole said she had a definite concern about how it will look. She lives two lots away from this property.

Mr. Leimenstoll said he was looking for some space for the Commission and some space for the College. Dr. Cole and Mr. Deering have described these as temporary structures and they are temporary structures. And they did not know exactly what the needs are going to be 5 years, 10 years with respect to this particular set of activities. He was wondering if the Commission could work out a lease for the College to use that property for a time that seems appropriate to the College and its needs, and then you can move it out of the way when the time comes. He asked if that sounded like a reasonable plan?

Dr. Cole said it sounded very reasonable to her.

Vice Chair Wood said that is what the Commission originally said was that it would lease the property to the College for \$1 a year, but he thought that was for a time certain.

Dr. Cole said the College was obviously feeling an enormous time-crunch. This is the 15th of July and with these young women need to come into school, this would be a tremendous relief if they were able to have this property not under any circumstances owned by the College, but leased by the College, and she loved the terms that Mr. Leimenstoll just quoted.

Vice Chair Wood asked where the parking for this site would be where?

Mr. Deering said there would be about 15-16 asphalt parking spaces on the 609 Gorrell Street property. The modular unit is approximately 28 by 60. The impervious surface will be approximately 3,000 square feet or the space of the modular unit and the parking space.

Counsel Blackwood said there was no motion on the table and this is an item on the agenda at the moment. You have been moving forward and if you so elect and anybody wants to move, there are several procedural alternatives you have:

- 1) A person who voted in the majority at last month's meeting to rescind (Vice Chair Wood and Mr. Lilly) the resolution approving the idea of leasing the property to the College for the Middle College, would move to reconsider that vote. That is one alternative.
- 2) The other alternative is simply the fact that the Commission still owns this property and if you just leave the motion in place that was approved last month, that does not then preclude you from moving forward on a separate motion on how to use or not use the property that you own. Those are separate issues.

Mr. Leimenstoll asked if what he was hearing was that there was nothing wrong with making a motion tonight, which would, in effect, rescind the motion from last month?

Vice Chair Wood said that would have to be done by Mr. Lilly or by himself.

Mr. Leimenstoll moved the Commission lease this property at 609 Gorrell Street to Bennett College for three (3) years for an amount not to exceed One Dollar (\$1.00) per year, and that plan review for the layout of the space be part of that.

Vice Chair Wood offered a friendly amendment to Mr. Leimenstoll's motion that the Commission consider this for a time not to exceed two (2) years and that all site plans, etc., have to be reviewed by this Commission, has to be compatible with the neighborhood. At the end of two years, Bennett College at that time must come back to this Commission and go through the process of purchasing this land, if they want it for future use.

Counsel Blackwood pointed out, from a legal standpoint, that if you put the part in that they have to buy it at the end of two years, you have changed just a short-term lease into one granting an exclusive option to buy, which would require that that then be advertised for upset bid, etc. He said he did not think the Commission could include the exclusive option to buy in the lease in any shape without advertising.

Mr. Leimenstoll said he would accept the 2-year friendly amendment to his motion, and Vice Chair Wood said he would eliminate the part about the sale at the end of two years, if they could take it one step at a time.

Mr. Curry said he would suggest an additional condition based on the comment about the parking area, that either a bonding situation be implemented to guarantee removal of any improvements at the end of the lease period, should the College not be willing to remove anything that they had physically done to change that property.

Chair Benjamin said he thought that was to return the property in a reasonable condition after removing the improvements. He said he did not know about the bond, but if not a bond, some means could be negotiated to guarantee that.

Mr. Leimenstoll said the condition suggested by Mr. Curry was accepted.

Counsel Blackwood said there was one other point of clarification, and it might require a further amendment. He asked what the timetable was for the Commission reviewing and accepting the site plans because if there is a timetable to go ahead and start and do land disturbing or whatever that would affect our review of the site plan. He said they had what appeared to be the site plan.

Mr. Leimenstoll said he was concerned about how it fits into the neighborhood. He said he was concerned with the same kind of discussion they had about the building that the CDC had.

Being an architect, Mr. Leimenstoll said he was willing to look at the site plan and other aspects of this proposal and have a decision on it within 72 hours from today.

Counsel Blackwood said his suggestion then would be to add a further part to the motion; that the Commission also further does make Jerry Leimenstoll as the Review Commissioner for purposes of approval of the site plan, and the Commission gives him the authority to sign off on it.

Vice Chair Wood said with Dan, he accepted that amendment to the motion.

Counsel Blackwood said the lease could be mutually terminated at anytime by the parties to the agreement, so, therefore, if they came forward 3 months from now and said exactly that or that they would like to enter into a contract at that time that specifies we will close August 1, of 2005, for a purchase price of whatever, you can always agree to any of that. That agreement would be the part that gets back to the public notice and approval process.

Vice Chair Wood said the motion now is that the Commission will lease 609 Gorrell Street to Bennett College for One Dollar (\$1.00) a year for a term of two (2) years; that the Redevelopment Commission must approve the site plan and that the authority to sign off on this site plan is vested in Jerry Leimenstoll and Dan Curry; and that this site must be used for the Middle College at Bennett during this time; and upon termination of the lease, whether at the expiration or upon default, the property will be returned to its prior condition. The motion as amended was seconded by Mr. Lilly.

There being no further discussion, the Commission voted 3-0-1 in favor of the motion. (Ayes: Wood, Leimenstoll, Lilly. Nays: None. Abstain: Benjamin.)

Dr. Cole said she was like to say officially that when this temporary structure is up, this Commission would be invited to hold a public meeting at the Middle College at Bennett at 609 Gorrell Street.

Counsel Blackwood confirmed that the lease would be between the Redevelopment Commission and Bennett College. Then Bennett College will enter into such agreement as it desires with the Guilford County School System.

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There being no further business before the Board, upon motion, the meeting was adjourned at 7:08 p.m.

Respectfully submitted,
Caroline Wells, Assistant Secretary, Redevelopment Commission
CW/jd.ps